UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF VIRGINIA Richmond Division

In re:)	Chapter 11
)	
CIRCUIT CITY STORES, INC., et al.,)	Case No. 08-35653-KRH
)	Jointly Administered
Debtors.)	

PRELIMINARY RESPONSE OF EASTERN SECURITY CORP. TO DEBTORS' SIXTH OMNIBUS OBJECTION TO CERTAIN MISCLASSIFIED NON-GOODS 503(B)(9) CLAIMS

Eastern Security Corp. ("Eastern") hereby files its response (the "Response") to the Debtors' Sixth Omnibus Objection to Certain Misclassified Non-Goods 503(B)(9) Claims (the "Objection"). In support of its Response, Eastern states as follows:

BACKGROUND

- 1. On November 10, 2008 (the "Petition Date"), the above-captioned debtors, including Circuit City Stores, Inc.("Circuit City"), commenced these cases by filing voluntary petitions (the "Petitions") for relief under chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the Eastern District of Virginia.
- 2. In the 20 days prior to the Petition Date (the "503(b)(9) Period"), Eastern provided Circuit City with security guards at various of Circuit City's retail locations, pursuant to a prepetition

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Counsel for Eastern Security Corp.

written agreement between the parties (the "Agreement").

- 3. On or about December 18, 2008, Eastern timely filed an administrative claim against Circuit City in the amount of \$146,667.34 (the "Administrative Claim"), which represents the cost (under the Agreement) of the security guards that Eastern provided to Circuit City during the 503(b)(9) Period.¹
- 4. On or about May 12, 2009, the Debtors filed the Objection. Although the initial deadline for all claimants to file a response to the Objection was June 15, 2009, the Debtors granted Eastern an extension through and including July 15, 2009, to timely file this Response.
- 5. In the Objection, the Debtors do not cite to any authority holding that the claims of a company that provided debtors with security guards for their retail store operations during the twenty days before the filing of the petition, should be denied administrative priority pursuant to 11 U.S.C. § 503(b)(9). Eastern respectfully submits that the Administrative Claim should be allowed in accordance with the reasoning in In re Plastech Engineered Prods., 2008 Bankr. LEXIS 4082 (Bankr. E.D. Mich. Dec. 10, 2008).²
 - 6. The Debtors should serve any reply to this Response on undersigned counsel.

¹ The Agreement is not attached hereto due to its proprietary nature. Upon information and belief, Circuit City is in possession of a copy of same and, upon request, a copy of same will be provided to the Court for *in camera* review or under seal.

² Eastern reserves its rights to supplement this Response in advance of any final hearing on the Objection to the Administrative Claim with additional facts, law and the declaration of a person with personal knowledge of the relevant facts that support the Response, in accordance with the Order Establishing Omnibus Objection Procedures (Docket No. 2881) and the Notice of Objection (Docket No. 3312).

WHEREFORE, Eastern Security Corp. respectfully requests that the Court enter an order allowing the Administrative Claim for \$146,667.34 and granting such further and other relief as the Court deems just and proper.

EASTERN SECURITY CORP.

/s/ Christopher L. Perkins
Counsel

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Counsel for Eastern Security Corp.

CERTIFICATE OF SERVICE

Pursuant to the *Order Pursuant to Bankruptcy Code Sections 102 and 105, Bankruptcy Rules 2002 and 9007, and Local Bankruptcy Rules 2002-1 and 9013-1 Establishing Certain Notice, Case Management and Administrative Procedures* entered on November 13, 2008 [Docket No. 130], I hereby certify that on this 15th day of July, 2009 the foregoing Motion was served upon the following parties via electronic mail or via first class mail, postage prepaid:

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Attn: Gregg M. Galardi Attn: Ian S. Fredericks

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Skadden, Arps, Slate, Meagher & Flom, LLP 333 West Wacker Drive Chicago, IL 60606

Attn: Chris L. Dickerson

I further certify that the original of the foregoing Motion was filed with the Court via the Clerk's CM/ECF electronic filing system on July 15, 2009.

/s/ Christopher L. Perkins Counsel